DEPARTMENT OF ENVIRONMENT

FISH AND WILDLIFE DEVELOPMENT FUND

FINANCIAL STATEMENTS

For the Year Ended March 31, 2003

Provincial Auditor Saskatchewan

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AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Fish and Wildlife Development Fund as at March 31, 2003 and the statements of operations, changes in net assets, and cash flows for the year then ended. The Fund's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
June 27, 2003

Fred Wendel, CMA, CA
Provincial Auditor

FISH AND WILDLIFE DEVELOPMENT FUND
STATEMENT OF FINANCIAL POSITION
As at March 31

	2003	2002
ASSETS		
Current assets:		
Due from General Revenue Fund (Note 3)	$ 3,293,492	$ 4,519,326
Accounts receivable (Note 4)	114,125	193,405
	3,407,617	4,712,731
Capital assets (Note 5)	16,797,116	16,197,613
	$ 20,204,733	$ 20,910,344
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	$ 384,404	$ 167,070
Net assets (Statement 3):		
Net assets invested in capital assets	16,797,116	16,197,613
Internally restricted net assets (Note 6)	2,000,000	2,000,000
Unrestricted net assets	1,023,213	2,545,661
	19,820,329	20,743,274
	$ 20,204,733	$ 20,910,344
Commitments (Note 7)		

(See accompanying notes to the financial statements)

FISH AND WILDLIFE DEVELOPMENT FUND
STATEMENT OF OPERATIONS
For the Year Ended March 31

	2003		2002
	Budget (Note 9)	Actual	Actual
Revenues:			
General Revenue Fund transfer (Note 4)	$ 3,360,000	$ 3,196,978	$ 3,300,796
Field permits and leases	172,000	156,460	181,784
Interest (Note 3)	170,000	101,827	151,319
Other revenue	9,000	58,155	78,167
	3,711,000	3,513,420	3,712,066
Expenses:			
Wildlife habitat projects (Schedule 1)	2,119,000	2,027,599	1,081,722
Fish enhancement projects (Schedule 1)	1,903,000	2,137,615	1,322,869
Grants in lieu of taxes (Note 6)	290,000	271,151	264,086
	4,312,000	4,436,365	2,668,677
Excess of (expenses over revenues)/revenues over expenses	$ (601,000)	$ (922,945)	$ 1,043,389

(See accompanying notes to the financial statements)

FISH AND WILDLIFE DEVELOPMENT FUND
STATEMENT OF CHANGES IN NET ASSETS
For the Year Ended March 31

	2003				2002
	Invested in Capital Assets	Internally Restricted	Unrestricted	Total	Total
Balance, beginning of year	$ 16,197,613	$ 2,000,000	$ 2,545,661	$ 20,743,274	$ 19,699,885
Excess of (expenses over revenues)/revenues over expenses	(23,028)	---	(899,917)	(922,945)	1,043,389
Net investment in capital assets	622,531	---	(622,531)	---	---
Balance, end of year (to Statement 1)	$ 16,797,116	$ 2,000,000	$ 1,023,213	$ 19,820,329	$ 20,743,274

(See accompanying notes to the financial statements)

FISH AND WILDLIFE DEVELOPMENT FUND
STATEMENT OF CASH FLOWS
For the Year Ended March 31

	2003	2002
Cash flows from (used in) operating activities:		
Receipts from General Revenue Fund transfer	$ 3,255,819	$ 3,245,108
Receipts from field permits, leases, and other	258,127	238,500
Interest received	78,752	151,319
Grant payments	(1,047,278)	(121,800)
Payments to municipalities	(271,151)	(264,086)
Payments to suppliers and employees	(2,877,572)	(2,193,739)
	(603,303)	1,055,302
Cash flows from (used in) investing activities:		
Proceeds from disposal of capital assets	---	9,000
Purchase of capital assets	(622,531)	(847,552)
	(622,531)	(838,552)
Net (decrease) increase in cash position	(1,225,834)	216,750
Due from General Revenue Fund, beginning of year	4,519,326	4,302,576
Due from General Revenue Fund, end of year	$ 3,293,492	$ 4,519,326

(See accompanying notes to the financial statements)

FISH AND WILDLIFE DEVELOPMENT FUND
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2003

1. Purpose of the Fund

The Fish and Wildlife Development Fund (Fund) operates under the authority of Section 20 of *The Natural Resources Act*. The Fund was established for the purposes of preventing the reduction of wildlife habitat and wildlife population in the agricultural area of the Province and for fish enhancement projects intended to prevent the loss of fish or fish habitat. The Department of Environment administers the Fund.

2. Significant Accounting Policies

The financial statements are prepared using Canadian generally accepted accounting principles for not-for-profit organizations. The following accounting policies are considered significant:

a) Capital Assets

Purchased capital assets are recorded at cost. Amortization commences in the year of acquisition and is provided on a straight-line basis over the asset's estimated useful life. Annual rates for equipment are from 5% to 33%.

Donated land is recorded at fair value at the date of contribution as a direct increase in net assets.

The Fund made agreements with other conservation agencies for the joint acquisition of land for wildlife related purposes. Land jointly owned is recorded at cost at the date title is transferred to both parties.

b) Grants

Grants are recognized when approved and the recipient has met eligibility criteria.

c) Revenue

The transfer from the General Revenue Fund is recognized when certain hunting and fishing licences are issued.

Field permit and lease revenue is recognized when the permit is issued or the lease payment is due.

3. Due From General Revenue Fund

The Fund's money is on deposit with the General Revenue Fund (GRF) and in a bank account included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan. The Fund's earned interest is calculated and paid by the GRF on a quarterly basis to the Fund using the Government's thirty-day borrowing rate and the Fund's average daily account balance. The Government's average thirty-day borrowing rate for 2003 is 2.62% (2002 – 3.41%).

4. Revenue - General Revenue Fund

The annual transfer from the General Revenue Fund has been set by Order in Council 526/95 as an amount equivalent to 30% of certain hunting and fishing licence fees collected by the Department of Environment. A receivable is recorded for the portion of the licences issued before the year-end for

which fees have not yet been received. Included in the accounts receivable at March 31, 2003 is $84,322 (2002 - $143,163) receivable from the General Revenue Fund.

5. Capital Assets

	2003			2002
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	$ 14,427,096	$ ---	$ 14,427,096	$ 14,136,096
Land – joint ownership	2,294,516	---	2,294,516	1,968,524
Equipment	522,774	447,270	75,504	92,993
	$ 17,244,386	$ 447,270	$ 16,797,116	$ 16,197,613

6. Internally Restricted Net Assets - Municipal Habitat Conservation

Internally restricted net assets were established to compensate rural municipalities for taxes foregone on lands acquired by the Fund for wildlife habitat conservation purposes. The interest earned on this amount is reported in the unrestricted fund and is used to assist in paying rural municipalities grants in lieu of taxes on Fund lands located within their boundaries.

7. Commitments

The Fund has the following commitments relating to future wildlife habitat and fish enhancement projects:

2004	$ 218,750
2005	171,000
2006 and subsequent	---
Total	$ 389,750

8. Financial Instruments

The Fund's financial instruments include due from General Revenue Fund, accounts receivable, and accounts payable. The fair value of these instruments approximates their carrying value due to the immediate or short-term maturity of these financial instruments.

The Fund is exposed to credit risk from the potential default of customers. However, the majority of the Fund's receivables are from other government agencies and reputable long-term corporate clients, therefore, the credit risk is minimal.

9. Budget

The Budget for the Fund is included with the Department of Environment's budget submission to Treasury Board. Treasury Board approves the Fund's budget annually.

10. Related Party Transactions

These financial statements include transactions with related parties. The Fund is related to all Saskatchewan Crown agencies such as departments, corporations, boards, and commissions under the common control of the Government of Saskatchewan. Also, the Fund is related to non-Crown enterprises that the Government jointly owns or significantly influences.

Routine operating transactions with related parties are recorded at agreed upon rates and are settled on normal trade terms. These transactions are as follows:

	2003	2002
Expenses:		
Contractual services	$ 19,010	$ 285,491
Supplies and materials	2,191	6,485
Grants	834,736	66,200
Central Vehicle Agency rentals	223,259	136,313
Utilities	70,543	65,977
Telephone	10,044	1,162

Included in accounts payable is $296,485 (2002 - $43,822) owing to related parties.

Other transactions with related parties and amounts due to/from them are described separately in the financial statements and notes.

The Fund pays provincial sales tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

In accordance with established government policy, the Fund has not been charged with certain costs including occupancy, financing, and certain administrative costs. These costs have been absorbed by various departmental appropriations and, therefore, no provision for such costs is reflected in these financial statements.

11. Conservation Easements

The Fund made agreements with other conservation agencies for the purpose of securing wildlife habitat through the purchase of conservation easements. Under these agreements, the Fund will contribute a portion of the costs to acquire these easements upon the registration of the easement with the relevant land titles office. The conservation agencies made separate agreements with landowners for the purchase of these easements.

The Fund is not party to the agreements with the landowners for these conservation easements. Accordingly, the Fund has not recorded these costs as capital assets. The Fund's share of these costs for the year amounting to $137,922 (2002 – nil) have been expensed in the Statement of Operations.

Schedule 1

FISH AND WILDLIFE DEVELOPMENT FUND
SCHEDULE OF EXPENSES
For the Year Ended March 31

	2003				2002
	Budget	Wildlife Habitat Projects	Fish Enhancement Projects	Total	Total
Salaries	$ 2,426,000	$ 926,998	$ 1,092,307	$ 2,019,305	$ 1,061,805
Contractual services	521,000	380,920	146,124	527,044	760,668
Supplies and materials	175,000	44,279	103,630	147,909	133,396
Grants (Note 11)	533,000	517,922	529,356	1,047,278	121,800
Central Vehicle Agency rentals	140,000	111,919	111,340	223,259	136,313
Travel expenses	70,000	39,473	55,804	95,277	89,202
Utilities	70,000	---	70,543	70,543	65,977
Amortization	25,000	943	22,085	23,028	22,290
Telephone	7,000	4,375	5,748	10,123	1,655
Communications	55,000	770	678	1,448	11,485
	$ 4,022,000	$ 2,027,599	$ 2,137,615	$ 4,165,214	$ 2,404,591

DEPARTMENT OF ENVIRONMENT

LIST OF PERSONS WHO RECEIVED MONEY FROM THE FISH AND WILDLIFE DEVELOPMENT FUND

For the Year Ended March 31, 2003

2002-03 FISH AND WILDLIFE DEVELOPMENT FUND

Personal Services (Salaries & expenses):

Ackerman, Donna I.	$	30,638
Ackerman, Nelson R.		15,718
Anderson, Ellis Vestal		12,389
Arneson, David John		52,391
Ashdown, Bradley A.		23,095
Baldock, Shawn		45,155
Balicki, Jamie L.		7,131
Banks, Gerald		64,711
Bast, Marcy		26,363
Beaulieu, Rhys N.		53,600
Beek, Fred L.		58,002
Beveridge, Edward D.		26,844
Blixrud, Floyd M.		48,478
Chafe, Draper R.		9,620
Coomber, Nancy L.		34,292
Deobald, Bre		8,176
Desjarlais, Brent M.		2,517
Dobson, Dwight W.		43,059
Dunn, Christopher Luke		11,851
Everett, Murray E.		65,171
Fiege, Simona		3,860
Fuessel, Ryan M.		10,113
Gabora, Jason		16,337
Gibbens, Shelley R.		9,309
Greif, Genevieve		20,917
Harris, Wayne (Estate of)		55,028
Jensen, Ronald Eldor		58,783
Joerissen, Rochelle M.		45,752
Koob, Murray Michael		48,222
Kowal, Edward H.		38,192
Kraska, Virna L.		12,644
Kryzanowski, Michael R.		37,887
Laborde, Neil Edmund		23,737
Lanson, Tracey		5,725
Leahy, Laura		5,051
Mayer, Eric B.		3,133
Mazil, Gertrude E.		32,928
McAdam, Susan M.		47,224
McCutcheon, Allan		20,603
McFadzean, Loretta A.		34,755
McGuire, Collin R.		18,038

Mckenzie, Stan	6,523
Merkowsky, Jennifer Jean	14,980
Mitchell, Gregory	50,835
Naelapea, Ott	27,158
Nelson, Curtis E.	42,777
Nicholls, Lizabeth	9,419
Olson, Conrad H.	64,919
Person, Terri A.	7,386
Phillips, Ronald W.	23,067
Pogorzelec, John R.	45,938
Riemer, Greg	18,634
Rosen, Patrick	21,563
Rumancik, John A.	44,125
Salamon, John P.	22,879
Sanden, Richard T.	57,528
Scalise, Karyn	51,426
Schmidt, Adam P.	21,752
Scott, Kenneth A.	54,215
Sedgewick, Gordon	38,382
Sluchinski, Elaine M.	10,919
Sullivan, Lorne A.	34,288
Sutherland, Magel D.	11,634
Tod, Robin D.	30,813
Tokaruk, Bradley D.	24,148
Wallin, Lyle A.	25,540
Wilchuck, Donna	31,308
Wilde, Erin J.	10,060
Wilderman, Brad	6,022
Willer, Kari D.	10,196
Wright, Richard Wayne	31,469
Young, Allen	29,352
Young, Perry C.	5,256
Yungwirth, Francis C.	15,909
Payments under $2,500	251,064
	2,338,923

Supplier Payments:	
Aqua Tax Consulting	22,437
Balfour Moss	267,830
Balfour Moss Management Services	120,568
Help International	20,000
McDougall Gauley In Trust	185,000
Nature Conservancy of Canada	20,233
Nature Saskatchewan	31,022
North Central Helicopters Ltd.	34,609
Peet Law Firm	26,000
Saskatchewan Association of Firearm Education	115,000
Saskatchewan Association of Rural Municipalities	259,640
SaskPower Corporation	56,052
Transwest Air	81,594
Payments under $20,000	410,764
	1,650,749

Grants:	
Balfour Moss Management Services	92,311
Battlefords Wildlife Federation	5,000
Hanbidge, Bruce	5,000
McMartin, Dena	5,000
Nature Saskatchewan	15,000
Put, Margaret	5,000
Saskatchewan Watershed Authority	533,236
Saskatchewan Wetland Conservation Corporation	301,500
Saskatchewan Wildlife Federation	27,000
Skinner, Susan	5,000
Urton, Erin	5,000
Grants under $5,000	48,231
	1,047,278

TOTAL	$	5,036,950